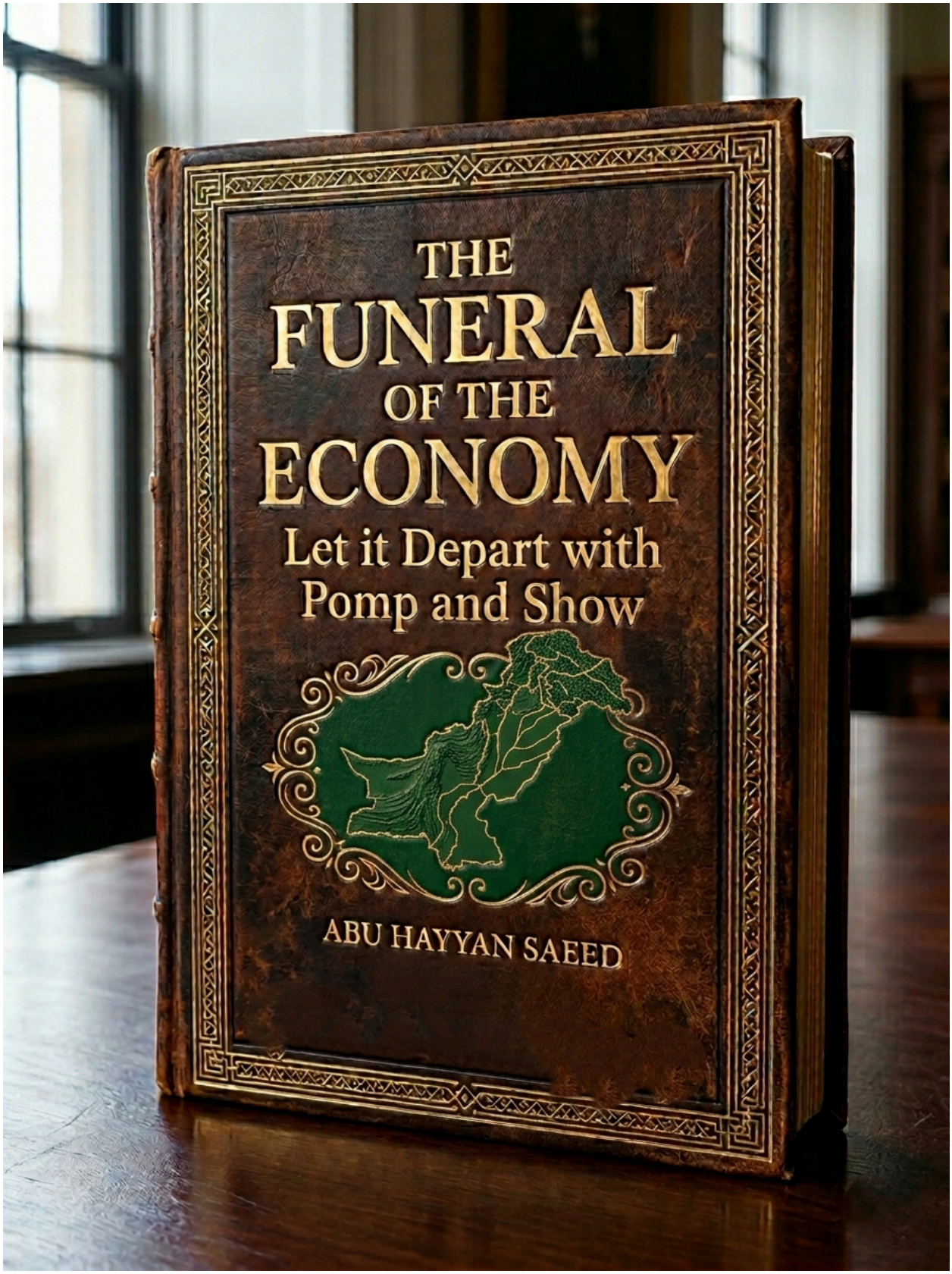
THE
FUNERAL
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Let it Depart with
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ABU HAYYAN SAEED

The Funeral of the Economy:
Let it Depart with Pomp and Show

Abu Hayyan Saeed , 10 July 2026.

The Funeral of the Economy, the Provincial Clearance Sale, and the Federation's "No Beer" Formula

The Pakistani economy has currently entered an Intensive Care Unit (ICU) where those supplying the oxygen are sitting outside, while those tearing the flesh off its body are lined up inside. If we look at the fundamental pillars of the economy, the picture becomes crystal clear as to how this country is running on artificial respiration. We have only two major avenues for bringing in dollars: first, the blood and sweat of overseas Pakistanis, i.e., remittances, which reached a record level of approximately $38.3 billion in Fiscal Year (FY) 2025; and second, our hiccuping exports, which remain trapped barely between $30 to $31 billion. The $27.9 billion in exports during the first eleven months of FY 2026 is enough to prove that our industries are breathing their last.

On the domestic front, the government relies on the axe of the Federal Board of Revenue (FBR) to run the state. Operating right at the necks of the public, the FBR squeezed out PKR 11,737 billion (approx. $42.2 billion) in FY 2025, and its target for the current FY 2026 has been set at PKR 14,131 billion (approx. $50.8 billion). This is the money forcibly extracted from the pockets of the poor and middle class in the form of petroleum levy, a colorful variety of General Sales Tax (GST), and additional surcharges.

The real tragedy begins when we examine the distribution structure of these earnings. The actual crisis of the economy is the "vertical imbalance" codified under the name of the National Finance Commission (NFC) Award. Whatever tax the FBR collects in rupees, 57.5% of it falls straight into the lap of the provinces, which—when converted to dollars—amounts to roughly $26.7 billion. The lion's share of this free-for-all bounty is snatched away by large provinces like Punjab and Sindh. Punjab receives $13.4 billion (PKR 3,726 billion) and Sindh gets $6.5 billion (PKR 1,826 billion). The collective share of just these two large provinces amounts to nearly $20 billion, leaving Khyber Pakhtunkhwa to contend with $4.4 billion and Balochistan with $2.3 billion.

While Punjab and Sindh carve out these massive chunks of meat from the federation, the federation is left with a measly $23.3 billion out of its total target to run the entire country's system. Now, compare this injustice with the fact that the annual burden on the federation just for the interest and installment payments of old debts is $35 billion. To make matters worse, the federation's own royal extravagances show no restraint the herd of bureaucracy, the luxury of ministers, an overflowing ocean of endless privileges, four latest vehicles for a single individual, billions of rupees worth of free petrol and gas, billions in free electricity, and a bizarre assortment of perks. Now, even the story has surfaced that a Special Assistant demanded a PKR 1.3 million bill from their ministry for a massage in Bangkok. In other words: eat openly, strip down, and bathe. The government even has to pay the bills for the courtesan pastimes of its ruling members.

The national exchequer must also bear the expenses of dozens of Umrahs and Hajj pilgrimages undertaken by this federal governmental army.
Punjab, on the other hand, has so much excess money that in May 2026, the Chief Minister of Punjab, along with her entire royal entourage, spent a recreational tour of Central Asia teaching her team how to make and eat "crispy eggplant." This was confirmed by Punjab's Information Minister, Azma Bukhari, in multiple press briefings, where the entire emphasis remained strictly on the eggplant. Prior to this, last year, the Chief Minister of Punjab visited Japan on a recreational tour with a 26-member entourage. Billions of rupees were squandered on the frequent comings and goings of both these trips and Umrah pilgrimages.

The inevitable conclusion is that after enriching the provinces, and following its own hyper-inflated royal expenditures, the federation is left begging for pennies. The federation is left without a dime for defense, development projects, education, or healthcare. To bridge this deficit, the federation bows once again before the IMF, China, and Saudi Arabia, takes out new commercial loans, and to pay off these loans, a further burden of taxes is dumped onto the public. The provinces indulge in luxury, while the federation sinks deeper into the quicksand of bankruptcy.
This entire scenario perfectly mirrors that famous European joke where a German citizen goes to a bar and asks for a 3-euro beer. However, the bartender adds up various taxes and surcharges under the labels of "Aid to Ukraine," "Sanctions on Russia," "Stabilizing the British Economy," and "Gas Subsidies," ultimately charging him 20 euros. The customer quietly hands over the 20 euros, but the bartender returns 3 euros to him and says, "Sir,

here is your beer money back, because we don’t actually have any beer!"
The economic state of Pakistan is exactly the same. The ordinary citizen here, the rickshaw driver, the salaried class, and the farmer quietly pays 20 euros (exorbitant taxes) in the form of levies on petrol, electricity, and hundreds of consumer goods. He is told that this money will rid the country of debt, that this money will be spent on provincial development, and that this money will build infrastructure. But when he asks for the "beer" of economic relief, affordable electricity, cheap rations, and fundamental rights, the state smiles and says, "Thank you for the taxes and surcharges, but we don’t have anything called an economy in existence!"
This is not an economic model; it is an organized economic suicide, where productivity is zero, the provinces are draining the federation, and the federation is skinning the public to collect money for a beer that does not exist in the first place.

If some one considers Pakistan a Failed State?

Here are some facts behind this situation.
Should businessmen pay taxes, pay heavy amounts to various extortionist mafias and government institutions, sponsor the lavish shopping sprees of the rulers' families, fund the expenses of their Umrahs and foreign trips, pay their taxes in full, watch their businesses burn down and not even utter a sigh of complaint? When the children of Income Tax officers go on recreational trips to Dubai, Europe, and America on the money of industrialists, and when their birthday parties are hosted on Pacific islands, those officers will naturally teach the industrialists a hundred different ways to evade taxes. When industrialists provide bank

guarantees worth tens of millions of rupees to Income Tax officers so they can secure citizenships in Canada, Australia, and Europe, who is left to collect taxes from them? When the immigration officer who arrested Ayyan Ali,the money-laundering queen and special pawn of Zardari (who occupies the highest constitutional office) is murdered out of fear, who can possibly stop the money laundering of millions of dollars every month?
In February 1997, under the slogan of *"Qarz Utaro, Mulk Sanwaro"* (Pay the Debt, Save the Nation), the Sharif family embezzled billions of rupees. A message was sent to traders and industrialists across the country to mandatory contribution to this fund, or else *Mian Sahab* would be displeased.

In Karachi, under state patronage, if there is a delay in paying extortion to the Sindh government's mafia network known as "The System," Millennium Mall and Gul Plaza are set on fire using chemicals. Hundreds of human beings are burned to ashes while the state stands at a distance watching the spectacle. Prior to this, a state-patronized system of drilling machines and sector inches ruled for years, which experimented with spraying chemicals and burning humans alive inside a factory in Baldia Town, resulting in 287 people burning to death. The Sindh government's "System" copied its technology from there. Where else can traders go? Naturally, they will pack up their businesses and move to Bangladesh, Sri Lanka, Thailand or Cambodia. They are expected to cover the return air tickets and all recreational expenses of the ministers' women to Dubai, Bangkok, and Europe, pay their taxes in full and face the fire as well.

And if their demands are not met, they are threatened: *"Your son studies at such-and-such college, your daughter goes to such-and-such university, today she wore this color of clothes, she has a bag of that color... they commute at these specific times."*

Malik Riaz spent his entire life gifting thousands of billions of rupees worth of plots for free to generals and the bureaucracy. He gifted diamond sets to the wives of generals, along with the latest models of luxury cars as New Year gifts every year. He sponsored foreign trips and billions of rupees worth of shopping for the children of generals, secured their admissions in foreign universities, and paid their hefty fees and other expenses. He funded Hajj and Umrah trips for penniless and stuttering journalists and gifted them massive plots. He gave advertisements to newspapers and TV channels at demanded rates. He paid his taxes in full too. Today, he is in exile.

The state has a special decree for traders and industrialists:

- Give taxes.
- Give extortion.
- Give donations.
- Bear travel expenses.
- Fulfill all demands.
- If you don't, expect threats to your life, property, and children.

This is not the conduct of a state; this is the methodology of a mafia, and unfortunately, all of this has been happening under the umbrella of the state.

The state is alive on paper, but it is dead in the mind of the citizen.

And when the state departs from the heart of the citizen, bringing it back becomes nearly impossible.

Chances are almost Zero.